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IN THE

Supreme Court of the United States

OCTOBER TERM, 1975

No. 75-110

BERNARD A. SAKRAIDA,
Petitioner,

versus

AG PRO, INC.,
Respondent.

MOTION FOR LEAVE TO FILE BRIEF AMICUS CURIAE AND BRIEF AMICUS CURIAE OF THE TEXAS FARMERS UNION

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MOTION FOR LEAVE TO FILE BRIEF AMICUS CURIAE

The Texas Farmers Union, of 800 Lake Air Drive, Waco, Texas 76710, respectfully moves under the provisions of Rule 42(3) for leave to file a brief amicus curiae in order to present information and arguments generally supportive of the petitioner in this case which complement and supplement the petitioner's brief, but are not presented therein and which, moreover, will not be presented by respondent or any amicus that may support respondent. Consent to the filing of this brief has been granted by petitioner's counsel, but refused by respondent's counsel.[1]

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[1] A letter from petitioner's counsel consenting on petitoner's behalf to the filing of the brief is understood to be in the mail and will be lodged with the Clerk promptly.

The movant Texas Farmers Union is comprised of approximately 7500 members primarily engaged in operating family-size commercial farms in the State of Texas with heavy concentration in its Great Plains area. These farmer members of the union engage in raising grain, cotton, livestock feed crops and livestock, including beef cattle, dairy cattle, goats, sheep, etc. These farmers, and especially those who are engaged in dairy farming, are among the segment of the public that would be directly affected if the patent involved in this case were upheld. Hence, the Texas Farmers Union is directly concerned in insuring correct adjudication of the issues of the case. A more detailed statement of the reasons why the Union wants to be heard appears in the section entitled "interest of the Amicus Curiae" in the appended brief and is incorporated herein by reference.

The material presented by the Union in the appended brief which will not be presented by petitioner includes (a) a full discussion of the history and purpose of the constitutional standard for patentable invention now codified in 35 U.S.C. 103 and its relationship to so-called "aggregations" of old and well-known elements; (b) a discussion of various factors which contribute to the continuing failure of the United States Patent Office to apply the constitutional standard of patentable invention codified in 35 U.S.C. 103 in refusing the grant of patents, including the influence on that Office of the "overruling" of key decisions of this Court by the Court of Customs and Patent Appeals; (c) a description of post-1966 legislative developments relative to § 103, demonstrating that Congress has refused to adopt a legislatively denigrated standard of invention, and (d) a development of the public policy underlying the patent system which disqualifies any interpretation of Rule 60(b) in patent cases that would result in fostering enforcement against the public of constitutionally and statutorily invalid patents.

Because the Union believes that the arguments presented in the appended brief are of major importance to the correct adjudication of this case, the Court is requested to receive and consider it.

Respectfully submitted,

MARY HELEN SEARS
Attorney for Amicus Curiae

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BRIEF AMICUS CURIAE

INTEREST OF THE AMICUS CURIAE

The Texas Farmers Union of 800 Lake Air Drive, Waco, Texas 76710 is composed of approximately 7500 members who are primarily engaged in operating family size commercial farms in the State of Texas, and especially in its Great Plains area. The members of the union engage in raising grain, cotton, livestock feed crops and livestock, including beef cattle, dairy cattle, goats, sheep, etc.

The union and its members are concerned that farmers, and particularly farmers engaged in family size enterprises which generally operate on very low profit margins, not be subjected to the toll of flimsy, spurious

and invalid patents of the ilk of patent 3,223,070. Because the particular dairy barn system claimed in that patent—which involves as its "crucial element" the release of a sheet of water from a pool by a conventional sluiceway to sweep cow manure off a dairy barn floor—would find practical application only in a relatively mild climate where severe, subfreezing winter temperatures do not occur, such as that of, *e.g.*, Texas or California, the Texas Farmers Union is specifically interested in seeing that patent correctly adjudicated. In addition, it is self-evident that if this Court should erroneously reach the conclusion that dairy farmers are to be subjected to the expensive toll of this patent of obviously minimal technical merit, similar structures particularly adapted to the needs of livestock other than dairy cattle will soon also be made the subject of equally nonmeritorious patents—with concomitant hardship upon the family farming community.

In its opinion in *John Deere & Co.* v. *Graham*, 333 F.2d 529, 535 (1965)—an opinion later affirmed by this Court in *Graham* v. *John Deere Co.*, 383 U.S. 1 (1966)—the Eighth Circuit pointed out that the public "is a silent but an important and interested party in all patent litigation and is entitled to protection against the monopolization of what is not lawfully patentable". This union desires to be heard in this case as a representative of the interested segment of the public, to present a full exposition of the history and purpose of the constitutional standard for patentable invention now codified in 35 U.S.C. 103 as it applies to alleged inventions constituting mere combinations of old and well-known elements each of which functions in its known and conventional manner.

In addition, the union presents information concerning the activities by the Court of Customs and Patent Appeals and the Patent Office in implementing a standard of patentable invention approaching novelty, which have

continued apace even after this Court's decision in *Graham*, *supra*, disapproved the indiscriminate grant of nonmeritorious patents that fail to meet the constitutional invention standard. Information is also presented concerning the refusal of Congress to lower the invention standard legislatively. The union also develops the compelling public policy reasons for interpreting Rule 60(b) in patent cases so as to insure presentation of all facts that tend to show the infirmities of a particular patent monopoly, whether or not developed post-trial.

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

Article I, Section 8, clause 8 of the Constitution provides:

> "The Congress shall have Power
>
> • • • •
>
> "To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries;"

35 U.S.C. 103 provides:

> "§ 103. Conditions for patentability; non-obvious subject matter
>
> "A patent may not be obtained though the invention is not identically disclosed or described, as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior are are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made."

STATEMENT OF THE CASE

The Fifth Circuit Court of Appeals, reversing a trial court holding

> " '* * * that said [Gribble and Bennett] Patent No. 3,223,070 held by Plaintiff does not constitute invention, is not patentable, and is not a valid patent, it being a combination patent, *all of the elements of which are old in the dairy business, long prior to 1963 and the combination of time [sic them] as described in the said patent being neither new nor meeting the test of non-obviousness*, Defendant is entitled to judgment' "[1] (Pet. 10a)

has held valid a patent for a dairy barn flushing system which admittedly "does not embrace a complicated technical improvement" (Pet. 22a) but allegedly "does achieve a synergistic result through a novel combination" (*ibid*) —an ultimate conclusion apparently premised on the appellate court's own assessment that "The little expert testimony at trial supports the conclusion that the system was initially viewed with disbelief" (*ibid.*)

In the Fifth Circuit's own words

> "The patent is limited to the construction and arrangement of the floor areas of the barn and the means for storing a volume of water on or immediately above the floor so that, when the water is suddenly released, it will clean all of the barn floor areas without the use of hand labor. According to the letters patent, all barn floor areas can be thoroughly cleaned in a very few minutes, where previously it took hours of labor and use of larger quantities of water to achieve an inferior result. The patent contains three claims, but only Claims 1 and

[1] Unless otherwise indicated, all emphasis in quotations herein is added.

> 3 [footnote omitted] are here involved. (App. 18). In simplified form, those two claims call for a dairy barn having the following elements:
>
> (1) a paved, sloped barn floor with downhill drains;
>
> (2) individual cow stalls elevated above floor level but designed to facilitate accumulation of cow excrement on the dairy floor;
>
> (3) paved feeding and milking areas integrated into the flush system;
>
> (4) a dam which collects water in a pool uphill from or directly on the dairy floor and abruptly openable to send a sheet of water cascading through the dairy sweeping the manure to the downhill drains.
>
> *Admittedly, all the elements are old.* However, prior to this patent, the concept of a controlled sheet of water to do the scouring and washing of the floor had not been used in barn construction.[2] The prior art involved the use of spot delivery of water by high pressure hoses. None of the prior art documents shows a floor washing means constructed to collect a pool of water uphill from or on the floor so that, when the water is abruptly released, it will flow as a sheet to wash almost instantaneously all barn floor areas and discharge cow offal into drains. That is the crucial element of this patent." (Pet. 10a-12a).

In short, the patent covers the use of a convention weir dam or sluiceway arrangement in an otherwise conventional sloped floor dairy barn equipped with drains

[2] This assertion *ignores* the *admission* of respondent's counsel in his opening remarks at the September 13, 1971 trial that the use of water as a "flushing agent" to remove manure deposits from cattle barns dates back *at least* to ancient Greek civilization which credited the aprocrypal Hercules with such use in his cleaning of the Augean stables. See A. 57.

positioned at the bottom of the slope, the purpose of the dam being equally conventional—i.e., to accumulate water in a pool behind the dam and then to release the water in a surging cascade or sheet when the weir closure or sluice is opened.

It is the type of simple "combination" device that human beings routinely construct by merely juxtaposing old parts in an expedient manner, whenever it seems desirable or appropriate to do so.

ARGUMENT

The patent in suit epitomizes two seemingly perpetually recurrent blemishes on the operation of the patent laws—to wit:

(1) the obdurate failure of the United States Patent Office to exercise its "primary responsibility for sifting out unpatentable material" either by following this Court's admonition "to adhere strictly to the 1952 [Patent] Act as interpreted" by this Court in *Graham* v. *John Deere Co.*, 383 U.S. 1 (1966) and *Anderson's Black Rock* v. *Pavement Salvage Co.*, 396 U.S. 57 (1969) or by taking cognizance of "changed conditions" resulting from the "remarkable rapidity" of technological advance over the last half century,[3] and

(2) the equally determined disinclination of the Fifth Circuit Court of Appeals to comprehend and follow the acknowledged "basic standard" (Pet. 16a) of *Hotchkiss* v. *Greenwood*, 52 U.S. (11 How.) 248 (1850) codified in 35 U.S.C. 103 and carefully explicated by this Court in *Graham*, *supra*.

The Patent Office breakdown is of particular concern. The agency was created by Congress in 1836 to remedy

[3] All quotations in this paragraph are from *Graham*, *supra*, 383 U.S. 1 at 18-19.

the evils perpetrated in the name of patents under the 1793 Patent Act by insuring that nonmeritorious patents would be refused at the threshold in lieu of spawning troublesome, expensive and unproductive litigation in the courts. As said in the Senate Report accompanying the implementing legislation:

> "The present law waits till infringements and frauds are consummated—nay, it even aids them; and then it offers an inadequate remedy for the injury, by giving an action for damages. It ought, rather, by refusing to grant interfering patents, to render prosecutions unnecessary. Instead of sanctioning the wrong by granting the privilege to commit it, it should arrest injury and injustice at the threshold, and put an end to litigation before it begins."[4]

Far from putting "an end to litigation before it begins", Patent Office operations as conducted today involve the implementation of a standard of patentability that approaches mere novelty[5] and the concomitant indiscriminate issuance of ever-greater number of trivial patents, which in turn clog the courts with frequent and pointless litigation.[6] Saying that "To await litigation is—

[4] See S. Rep. No. 338, 24th Cong., 1st Sess. 6 (1836), reprinted in its entirety at 34 J. Pat. Off. Soc'y 853 (1953).

[5] See Marquis, *Improving the Quality Control for Patents*, 59 Minn. L. Rev. 67, 104 (1974) who proposes Congressional legitimatization of patents on merely novel subject matter as a cure-all and the rebuttal by Sears, *Tinkering With the Invention Standard: No Solution To Problems of Patent Quality*, 59 Minn. L. Rev. 965 (1975); see also Sears, *One Litigation Lawyer's View of Ex Parte, Secret Patent Procedures*, 2 APLA Q.J. 242, 251 (1974) proposing that anachonistic *ex parte*, secret prosecution be replaced by an open, *inter partes* procedure in which all interested members of the public could participate.

[6] The reply brief in *Calmar, Inc.* v. *Cook Chem. Co.*, No. 37, October term, 1965, heard and decided with *Graham*, 383 U.S. at 26-37, noted at p. 8 "the manifest proclivity of the Patent Office for

for all practical purposes—to debilitate the patent system", 383 U.S. at 18, this Court in *Graham* recognized this sorry state of Patent Office operations and as noted *supra*, p. 6, urged strict adherence to the Patent Act as interpreted in this Court. The very existence of the patent in suit is eloquent testimony that the Patent Office has still not changed its course in the ten years since *Graham*.

The Patent Office allowance in this case of Gribble and Bennett patent 3,223,070 for a combination of old and well-known mechanical elements, each of which performs its known function in an old and recognized way in the combination, is tantamount to granting a patent on the symbolic "better mouse trap" in direct derogation of *Graham*.[7]

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issuing patents on any trivial device or trivial modification of a device on which there is not the most direct of anticipations." and cited in a footnote statistics showing that such Office granted patents on 68% of applications filed in fiscal 1965 and anticipated an increased percentage in fiscal 1966, approaching a number in the order of 67,000 patents, at that time "the approximate limit of the Government Printing Office to print patents".

Statistics published by the Bureau of National Affairs in its weekly Patent, Trademark and Copyright Journal on September 13, 1973 covering fiscal 1971 showed that 75-80% of the patent applications filed in this country matured into patents, as contrasted with 30-35% in West Germany and 40% in Japan in the same period.

On March 10, 1975, the Washington Star, § A at 1, col. 1, reported that "last year" the Patent Office received 103,979 applications and granted 78,898 patents.

Patents of commercial importance, however trivial they may be from a technological point of view, are almost always litigated. Recent statistics show that at least 50% and probably nearer 75% of litigated patents are ultimately held invalid. See Kayton, *The Crisis of Law in Patents*, pt. I, at 5 and app. 2 at 13-14; see also "Patent Law Revision", 93d Cong., 1st Sess. (1973) at 196-273.

[7] As the Court put it, "He who seeks to build a better mouse trap today has a long path to tread before reaching the Patent Office", 383 U.S. at 19. The whole Court thus echoed the sentiments of former Justice Douglas and the late Justice Black, concurring in

The Fifth Circuit, feigning total confusion as to the standing of patentable invention under 35 U.S.C. 103, says that "Although the Court in *Graham* clearly rejected the Fifth Circuit rationale that an invention is patentable when it produces an 'old result in a cheaper and otherwise more advantageous way' what precise test, if any, that Court substituted is unclear" (Pet. 21a). The Fifth Circuit thus effectively confesses its own adherence for some 115 years after this Court in *Hotchkiss*, *supra*, one justice dissenting, expressed flat disapproval to the proposition "if the invention was cheaper and better than what preceded it, that protection should be given to it as patentable . . .", 52 U.S. (11 How.) at 268 (dissenting opinion). Despite its occasional lip service, as in this case, to "the condition that a patentable invention must evidence more ingenuity and skill than that possessed by an ordinary mechanic acquainted with the business . . ." (Pet. 16a) laid down by the *Hotchkiss* majority, the *Fifth Circuit does not follow* that standard of patentable invention. It is accordingly totally out of step with this Court's own unvarying application of the standard which is constitutionally derived and has been implemented since Thomas Jefferson's activities as a member of a three-man board that administered the first Patent Act of 1790. YES 12/15/75

I. The Unvarying Constitutional Standard

The *Hotchkiss* prohibition upon the grant of patents for alleged inventions produced by exercising ordinary skill in the adaptation and application of old knowledge has been consistently perceived in this Court to derive from Article I, § 8, cl. 8 of the Constitution itself. See *Hollister* v. *Benedict & Burnham Mfg. Co.*, 113 U.S. 59, 73 (1885); *Thompson* v. *Boisselier*, 114 U.S. 1, 11

Great A & P Tea Co. v. *Supermarket Equipment Corp.*, 340 U.S. 147, 156-158, regarding the "incredible patents which the Patent Office has spawned" over the years and calling for an end to their proliferation.

(1885); *Hill* v. *Wooster*, 132 U.S. 693, 701 (1890); *Cuno Eng'r Corp.* v. *Automotive Devices Corp.*, 314 U.S. 84, 91 (1941); *A & P*, *supra*, (concurring opinion); *Graham*, *supra*, *Anderson's Black Rock*, *supra*.[8]

As this Court has also recognized, such manifestations of mere ordinary skill *do not* and *could not* "promote the progress of science and useful arts". As explained by this Court in *Atlantic Works* v. *Brady*, 107 U.S. 192, 200 (1883):

> "The design of the patent laws is to reward those who make some substantial discovery or invention, which adds to our knowledge and makes a step in advance in the useful arts. Such inventors are worthy of all favor. It was never the object of those laws to grant a monopoly for every trifling device, every shadow of a shade of an idea, which would naturally and spontaneously occur to any skilled mechanic or operator in the ordinary progress of manufactures. Such an indiscriminate creation of exclusive privileges tends rather to obstruct than to stimulate invention. It creates a class of speculative schemers who make it their business to watch the advancing wave of improvement, and gather its foam in the form of patented monopolies, which enable them to lay a heavy tax upon the industry of the country, without contributing anything to the real advancement of the arts. It embarrasses the honest pursuit of business with fears and apprehensions of concealed liens and unknown liabilities of lawsuits and vexatious accountings for profits made in good faith."[9]

[8] For a detailed discussion of the history of this constitutional standard, see Irons and Sears, *The Constitutional Standard of Invention—The Touchstone for Patent Reform*, 1973 Utah L. Rev. 653.

[9] In *Mahn* v. *Harwood*, 112 U.S. 354, 358-9 (1884), this Court pointed out that the "valid defense" to an infringement suit of whether "the Commissioner has exceeded his authority" in granting

The need for distinguishing meritorious and patentworthy inventions from mere exercises of ordinary skill arose in the context of the earlier Congressional efforts to implement the constitutional patent clause through legislation. Perceiving that—as this Court recognized in *Graham*, 383 U.S. at 5—the patent power is *limited* and does not extend to *every* new and useful invention or discovery, the first Congress, which contained a significant complement of constitutional framers, enacted into the first Patent Act of 1790 a requirement that patents might be conferred only upon inventions that were "sufficiently useful and important" *in addition* to being new and useful.[10] This statutory criterion was implemented by a three-member board on which Thomas Jefferson sat, so as to weed out, as *insufficiently* useful and important to "promote progress in science and useful arts" and hence *per se* unpatentable, various categories of subject matter. were aggregations of old and well-known elements wherein each old element performed its customary known function in a known way, of which Jefferson himself said:

> ". . . If we have a right to use three things separately, I see nothing in reason, or in patent law, which forbids our using them all together. A man

a patent is stronger in the case of patents for inventions "*which directly affect the citizen*" than patents for land, which have only an indirect effect.

The same point, that the citizenry is directly affected by invalid patents because they interfere with the inalienable right of every citizen to pursue an ordinary calling unhampered by baseless and unjustified monopolies—of which nonmeritorious patents are obviously an example—was made in the dissenting opinion of Justice Bradley in *Butchers Union Co.* v. *Crescent City Co.*, 111 U.S. 746, 762 (1884). That dissent was adopted by the Court in *Allgeyer* v. *Louisiana*, 165 U.S. 578, 589-590 (1897), which in turn was relied upon in *Greene* v. *McElroy*, 360 U.S. 474, 492 (1959).

It follows that the indiscriminate and unchecked proliferation of baseless patents raises serious due process problems vis-a-vis the citizen.

[10] Act of April 11, 1790, ch. 7, § 1, 1 Stat. 109.

> has a right to use a saw, an axe, a plane separately; may he not combine their uses on the same piece of wood?" [11]

Attempting to make the determination as to what did and did not "promote progress" in the constitutional sense a judicial rather than an executive function, Congress in the 1793 Act [12] turned to a registration system whereby patents issued automatically and all questions of patentability and validity were consigned to the courts. When the 1793 Act proved unworkable and Congress decided to create a Patent Office with the duty to screen out unworthy "inventions" *before* patenting, it reinstated the "sufficiently useful and important" criterion first set forth in the 1790 Act and laid the initial responsibility for implementing it in the lap of the Patent Office.[13] The criterion remained in the patent statutes until the 1952 Act when it was deleted "as unnecessary, the requirements for patentability being stated in sections 101, 102 and 103." See the Revisor's Note to 35 U.S.C. § 131.

In *Reckendorfer* v. *Faber*, 92 U.S. 347 (1875), a case involving an unpatentable aggregation of old elements, this Court emphasized that the *Hotchkiss* test is a definition of the extent of utility or importance that an alleged invention must possess in order to merit a patent—and rejected the patentee's argument that the Patent Office determination on that point is conclusive in later litigation, holding

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[11] Letter to Oliver Evans, from Letters of Thomas Jefferson, Washington Ed., Vol. VI, (1814), p. 298. Jefferson's question is equally apt in this case. If sloped floors with "downhill drains", cow stalls, feeding and milking areas and weir dams or sluiceways are each old, what is to prevent their amalgamation in any combination or permutation? Indeed, it seems almost axiomatic that no more than ordinary skill *could* be entailed in juxtaposing these old elements in *any* desired manner.

[12] Act of Feb. 21, 1793, 1 Stat. 321.

[13] Act of July 4, 1836, ch. 357, § 7, 5 Stat. 117.

> ". . . The argument . . . that proof that there is *no invention or discovery at all*, or that *the invention has no importance*, cannot be made [by the defendant in an infringement action], is quite unsound. Proof that there is no invention or discovery strikes at the root of the whole claim. The patent is based on an affirmative fact, of which this is the direct negative. *It needed no statute to aid or justify this defense.* It is provable when it exists under any general denial, like the fact of not guilty . . . in cases where guilt . . . is first to be established."

In *Reckendorfer* his Court also emphasized that old elements must *combine* to produce a new and *un*predictable result in order for the combination to support a patent, saying

> "The combination, to be patentable, *must produce a different force or effect or result in the combined forces or processes*, from that given by their separate parts. There must be a new result produced by their union." [87 U.S. at 357] [14]

This test in substance had been implemented even earlier in *Hailes* v. *Van Wormer*, 87 U.S. (20 Wall.) 353 (1873); it was reiterated by this Court in a plurality of subsequent cases, including *Dunbar* v. *Meyers*, 94 U.S. 187, 195 (1876); *Pickering* v. *McCullough*, 104 U.S. 310, 318 (1881); *Vinton* v. *Hamilton*, 104 U.S. 485, 492 (1882); *Beecher Mfg. Co.* v. *Atwater Mfg. Co.*, 114 U.S. 523, 524 (1885); *Thatcher Heating Co.* v. *Burtis*, 121 U.S. 286, 294 (1887); *Hendy* v. *Golden State and Miners' Irons Works*, 127 U.S. 370, 375 (1881); *Burt* v. *Evory*, 133 U.S. 349, 358 (1890); *Union Edge Setter Co.* v. *Keith*, 139 U.S. 530, 538, 539 (1891); *Adams* v. *Bellaire Stamping Co.*, 141 U.S. 539, 542 (1891); *Brinkerhoff* v.

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[14] Similarly, the trial court in *this* case found that "all of the elements" of the patent in suit "are old in the dairy business" and "the combination of time [sic them]" is "neither new nor meeting the test of non-obviousness" (Pet. 10a).

Aloe, 146 U.S. 515, 516 (1892); *Richards* v. *Chase Elevator Co.*, 58 U.S. 299, 302 (1895); rehearing, 159 U.S. 477, 487 (1895); *Office Specialty Mfg. Co.* v. *Fenton Metallic Mfg. Co.*, 174 U.S. 492, 498 (1899); *Grinnell Washing Machine Co.* v. *Johnson Co.*, 247 U.S. 426, 434 (1918); *Concrete Appliances Co.* v. *Gomery*, 269 U.S. 177, 185 (1925); *Powers-Kennedy Contracting Corp.* v. *Concrete Mixing and Conveying Co.*, 282 U.S. 175, 186 (1930); *Carbice Corp. of America* v. *American Patents Dev. Corp.*, 283 U.S. 420, 421 (1931); *Lincoln Eng'r Co.* v. *Stewart-Warner Corp.*, 303 U.S. 545, 549-550 (1938) and *Toledo Pressed Steel Co.* v. *Standard Parts, Inc.*, 307 U.S. 350, 356 (1939), *Cuno, supra*, *Marconi Wireless Telegraph Co.* v. *United States*, 320 U.S. 1, 32 (1943) and *Dow Chemical Co.* v. *Halliburton*, 324 U.S. 320, 330 (1945).

In similar vein to *Reckendorfer*, this Court in *Cuno, supra*, reviewed what was "well known to the art when Mead made his device", a "cordless" cigarette lighter and held:

> "To incorporate such a thermostatic control in a so-called 'wireless' or 'cordless' lighter was not to make an 'invention' or 'discovery' within the meaning of the patent laws. As we have shown, both the thermostatically controlled heating unit and the lighter with removable plug bearing the heating unit were disclosed by the prior art. More must be done than to utilize the skill of the art in bringing old tools into new combinations. [Citing cases] . . . [314 U.S. at 89]
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> • • • •
>
> "Certainly the use of a thermostat to break a circuit in a 'wireless' cigar lighter is analogous or the same in character as the use of such a device in electric heaters, toasters, or irons, whatever may be the difference in detail of design. . . ." [314 U.S. at 91]

In *A & P*, Mr. Justice Jackson, speaking for the Court, said:

> ". . . The conjunction or concert of known elements must contribute something; only when the whole in some way exceeds the sum of its parts is the accumulation of old devices patentable. . . . This case is wanting in any unusual or surprising consequences from the unification of the elements here concerned, and there is nothing to indicate that the lower courts scrutinized the claims in the light of this rather severe test.
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> "Neither court below has made any finding that old elements which made up this device perform any additional or different function in the combination than they perform out of it. This counter does what a store counter always has done—it supports merchandise at a convenient height while the customer makes his purchases and the merchant his sales. The three-sided rack will draw or push goods put within it from one place to another—just what any such rack would do on any smooth surface—and the guide rails keep it from falling or sliding off from the counter, as guide rails have ever done. Two and two have been added together, and still they make only four." [340 U.S. at 152][15]

Anderson's Black Rock, supra, reaffirms *A & P* and *Graham* to emphasize that the *Constitution*, on which Section 103 rests, disqualifies from patentability any alleged "combination" invention which falls short of producing "an effect greater than the sum of the several effects taken separately"—*i.e.*, a "synergistic result". The logic is self-evident. Merely additive "combinations" or as they are descriptively called, "aggregations" *are* pre-

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[15] Of course, the "crucial" sheet of water in the Gribble and Bennett dairy barn acts just the way such sheets *always* have when weir dams or sluiceways are opened, i.e., to wash away all non-stationary items in its path. *No one*, including the Fifth Circuit, alleges that the sloping barn floors, downhill drains, cow-stalls or feeding and milking areas perform any additional or different function in the patented barn than they did in pre-existing dairy barns.

dictable and producible with ordinary skill—hence constitutionally unpatentable because they fail to "promote progress".

Anderson's Black Rock also reaffirms *Lincoln Engineering Co., supra*, which, within the fabric of the established law on the treatment of "combination inventions, emphasized that an already known combination of elements, *even* if patentable when new, cannot be *re*-patented whenever one of its elements is improved. The underlying rationale that there is no "new or different function" as a result of the substitution, but only an improved result traceable to the improved element, is squarely in accord with 35 U.S.C. 103 since the substitution is *per se* a matter of ordinary skill and patentable invention may be found, if at all, only in the improved element. *Lincoln*, in its turn, reaffirmed and followed *Bassick Mfg. Co.* v. *R. M. Hollingshead Co.*, 298 U.S. 415 (1936) to hold specifically that ". . . the improvement of one part of an old combination gives no right to claim that improvement in combination with other old parts which perform no new function in the combination. . . ." 303 U.S. at 549.

The Fifth Circuit decision that the Gribble and Bennett patent is valid wholly ignores the established law on "combination" patents to hold that an aggregation of admittedly old elements, each performing a known and conventional function in a conventional way, is unobvious under 35 U.S.C. 103, and hence a patentable invention. The particular aggregation in issue is also an "old combination" in the sense that dairy barns, having cowstalls, feeding and milking areas, inclined floors equipped with "downhill" drains and means for flushing cow offal off the floor were admittedly known previously, so that the sole alleged improvement" resides in the particular flushing means employed.[16] Either way, one is

[16] The trial court so held and the Fifth Circuit agreed. The latter characterized as "the crucial element" of the patent "the concept of a controlled sheet of water" to flush the barn floor. See pp. 4-6, *supra*.

constrained to ask wherein "progress" in science and useful arts has been promoted—and to conclude, based on this Court's undeviating pronouncements that the alleged invention is constitutionally as well as statutorily unpatentable.

II. Some Reasons for the Dereliction of the Patent Office in this Case

A major contributing factor, if not the major one, to the Patent Office grant of such flimsy patents as No. 3,223,070, in derogation of this Court's consistent contrary precedent is the deliberate and unreasoned repudiation by the Court of Customs and Patent Appeals ("CCPA")—one of two alternative tribunals charged by statute[17] with reviewing Patent Office refusals—of all pre-1952 decisions of this Court as the foundation for interpreting 35 U.S.C. 103. Thus, over a year before the December 14, 1965 issuance of patent 3,223,070, the CCPA gratuitously abolished the "aggregation doctrine" as a basis for refusing patent protection. The Patent Office, which considers CCPA decisions binding on it, followed its frequent practice of docile obedience.[18]

[17] 35 U.S.C. 141. The review in the CCPA is strictly appellate on the record created in the Patent Office. The alternative review is by civil action against the Commissioner of Patents under 35 U.S.C. 145 in the United States District Court for the District of Columbia and on appeal in the United States Court of Appeals for the District of Columbia Circuit.

[18] For example, in *Application of Tarczy-Hornoch*, 397 F.2d 856 (CCPA 1968), the Court of Customs and Patent Appeals in a three to two decision repudiated the doctrine, established in an unbroken string of decisions of this Court, commencing with *Corning* v. *Burden*, 56 U.S. 252 (1853) that the inherent function of a machine is a *per se* unpatentable process. The reason for the repudiation was that the doctrine is "the product of an essentially illogical distinction unwarranted by, and at odds with, the basic purpose

The excuse for CCPA repudiation of "aggregation" as a ground for refusing patents was the professed inability of the Court to understand the word as a legal term of art. The CCPA, in an opinion authored by Judge Rich, also said:

> "On January 1, 1953, all of this mental anguish [purportedly requisite to an understanding of the term 'aggregation' as a patent law concept] ceased to be necessary. The test of the presence or absence

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of the patent system and productive of a range of undesirable results from the harshly inequitable to the silly. . .". (397 F.2d at 867). No supporting precedent was cited.

As a result, and notwithstanding a dissenting judge's comment that "the majority's newly charted course is contrary to the basic constitutional objective of promoting the progress of the useful arts. . . ." (397 F.2d at 870), the Patent Office modified its Manual of Patent Examining Procedure on February 10, 1969, directing all of its approximately one thousand examiners to abjure that ground of rejecting applications. The notice said:

> "In view of the decisions of the Court of Customs and Patent Appeals in In re Tarczy-Hornoch appearing at 158 USPQ 141, process and method claims will no longer be subject to a rejection by Patent Office Examiners solely on the ground that they define the inherent function of a disclosed machine or apparatus. Accordingly, the subject matter of MPEP 706.03(r) is inapplicable and hereby cancelled."

Judge Giles S. Rich, the writer of the opinion, has recently publicly characterized this overruled doctrine as "intellectual rubbish", observing that "There is still a lot of antique nonsense floating around awaiting cases to bring it up". Rich *"Change"*, 2 APLA Q.J. 214, 222 (1974).

Judge Rich, who was a participant in the preliminary drafting of the 1952 Patent Act, has consistently professed a unique knowledge of its true meaning and intent and has viewed that act as having rendered much, if not all of the antecedent precedent obsolete and ineffective. See Rich, *Congressional Intent—Or, Who Wrote the Patent Act of 1952*, Patent Procurement and Exploitation (1963), pp. 61-78; see also Rich, *The Principles of Patentability*, 28 Geo. Wash. L. Rev. 393, (1960); Rich, *The Vague Concept of 'Invention' as Replaced by §103 of the 1952 Patent Act*, 8 Idea 136 (1964); and Rich, *Laying the Ghost of the 'Invention' Requirement*. 1 APLA Q.J. 26 (1972).

> of 'invention', and along with it the subordinate question of whether a device or process was or was not an 'aggregation,' or a 'combination,' or an 'unpatentable combination' for 'want of invention,' was replaced by the *statutory test* of 35 U.S.C. § 103." *Application of Gustafson*, 331 F.2d 905, 909 (emphasis by the court).

Judge Rich has since listed the abolition of the aggregation doctrine "as one of the changes [in the patent law] I have seen—and in some cases have helped along—during the past 18 years that I have been on the Court of Customs and Patent Appeals", and with specific reference thereto, has observed:

> "Old-timers will remember and the old texts explain that 'combinations' are patentable and 'aggregations' are not, and rejections were often made on the ground that the invention is a 'mere aggregation.' That was, of course, a lot of silly nonsense and a mere labeling after the decision on patentability had been subjectively made for some other reason. The CCPA therefore did away with it in 1964 in *In re Gustafson*, pointing out that with the passage of § 103 the mental anguish of determining what was a combination and what an aggregation ceased to be necessary; that what one really has to determine is obviousness of the claimed subject matter." [19]

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[19] Both quotations are from *"Change" op. cit. supra*, note 18, at pp. 215 and 220 respectively. Judge Rich is particularly critical of "the people who currently put out publicity for proposed innovations in the [patent] system prefaced by the comment that nothing much has changed since 1836" *id.* at 215—an apparent reaction to the remarks of Senator Philip Hart at the opening of the September 1973 hearings before the Subcommittee on Patents, Trademarks and Copyrights Committee of the Judiciary in September 1973 that

> "No system designed in 1836 can remain viable under the economic and technological conditions of 1973, and that is why the patent system is under attack. Unless it is reformed to create procedures, safeguards and mechanisms to weed out the

Based on *Gustafson*, the Patent Office Board of Appeals went one step further to hold, in square repudiation of *A & P* and its long string of antecedents that "it is not essential to a patentable combination that there be inter-dependency between the elements of the claimed device or that all the elements operate concurrently toward the desired result". *Ex parte Nolden*, 149 USPQ 378, 380 (P.O. Bd. App. 1965)

Though *Anderson's Black-Rock* has since that time demonstrated that this Court views the aggregation doctrine—and its corollary, the old combination doctrine—as very much alive, the Patent Office and the CCPA remain committed to *Gustafson*.

Indeed, in the very year that *Anderson's Black-Rock* was decided, the CCPA in *Application of Bernhart*, 417 F.2d 1395 (CCPA 1969), abolished the "aggregation" doctrine's corollary, "old combination", as a basis for refusing patent protection. *Bernhart* acknowledges that:

> "The rationale of an old combination rejection is stated in MPEP[20] 706.03(j) as follows: 'The fact

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bad patents before issuance—whether fraudulent or not—and to insure the expeditious and impartial issuance of patents that meet the constitutional and statutory standards, the patent system will die of atrophy". *Patent Law Revision* (1973) at p. 1

Interestingly, Judge Rich appears to have welcomed and "helped along" those alleged changes that have resulted in granting more patents by overruling decisions of this Court. Senator Hart's view of the lack of essential changes since 1836 has recently been echoed by Senator Scott. See Scott and Unkovic, *Patent Law Reform: A Legislative Perspective of an Extended Gestation*, 16 Wm. & Mary L.R. 937 (1975), which states that:

> "Since passage of the original Patent Act of 1836, the essential structure of the United States patent system has remained unaltered. Although Congress made some changes in 1952 when it enacted the Patent Code as Title 35 of the United States Code, it did not attempt comprehensive reform but only a codification of patent law."

[20] "MPEP" stand for Manual of Patent Examining Procedure—the "Bible" of the Patent Office examining corps.

> that an applicant has improved one element of a combination which may be *per se* patentable does not entitle him to a claim to the improved elements where the elements perform no new function in the combination.' This statement has the support of many cases. See, e.g., Lincoln Engineering Co. v. Stewart-Warner Corp., 303 U.S. 545, 58 S.Ct. 662, 82 L.Ed. 1008 (1938). . . ." (417 F.2d at 1402)

It nevertheless asserts,

> "Our primary concern, however, is not with the soundness of the underlying policy, if any, for old combination rejections; it is with whether such rejections are proper under the present statute. . . ."

and proceeds to conclude they are not *without* citation of a single supporting authority. (417 F.2d at 1403).

As recently as July 1974 in *Ex parte Barber*, 187 U.S. P.Q. 244 the Patent Office Board of Appeals, one member dissenting, reversed a Patent Examiner's rejection of claims drawn to an internal combustion engine on the ground the engine was an old combination, the sole improved element of which had already been patented. The majority relied on *Bernhart* as authority and did not even acknowledge this Court's contrary *Anderson's Black-Rock* decision. The dissenter likewise ignored *Anderson's Black-Rock*, but nonetheless felt *Bernhart* was not "the last word on this subject" because subsequent decisions in the federal circuits cite *Lincoln Engineering*—specifically reaffirmed in *Anderson's Black-Rock*—and "[i]n no instance has a court questioned . . . [its] viability . . ." (187 U.S.P.Q. at 247)

It is small wonder in the face of such determined adherence to heresy that this Court in *Graham* perceived "a notorious difference between the standards applied by the Patent Office and by the Courts. . . ." 383 U.S. at 18—and even less wonder that the gap is growing wider as time passes.

The CCPA influence upon the Patent Office is undoubtedly a factor in the statistics demonstrating that about 25% of patents actually litigated are held invalid based on the very prior art references that the Patent Office considered.[21]

In addition, there are many factors indigenous to the present management of the Patent Office that contribute to the poor quality of patent examination work presently reflected in the low incidence of validity among issued patents. These factors include (i) the existence of a quota system requiring that each examiner complete a given number of units of work ("actions" and "allowances") within a certain unit of time regardless of the complexity of the technology involved, (ii) the offer of cash bonuses ("bounties") to examiners that exceed their assigned quotas, (iii) recognized inadequacies in the content and completeness of the Patent Office search files, (iv) incomplete written records of patent application prosecution which make it impossible for the public, including the courts, to learn why a particular patent was

[21] Dr. Alan C. Nixon testifying before the Senate Subcommittee on Patents, Trademarks and Copyrights in 1973 in his capacity at that time of President of the American Chemical Society referred to "the finding by Professor Irving Kayton of the George Washington University National Law Center that, when the courts consider no prior art other than that known to the Patent Office during examination of the patent application, 75 percent of litigated patents are upheld." "Patent Law Revision", 93d Cong., 1st Sess. (1973) at 349. Certainly if a proper standard of patentable invention were being implemented, patent examiners judgments *should* show greater than 75% concurrence with those of the courts on *the same* facts.

These statistics hence provide a meaningful perspective against which to assess the statutory presumption of patent validity (35 U.S.C. 282) that is one of the nove' features of the 1952 Patent Act. Manifestly, there can be no presumption of validity—or of administrative correctness—when the agency is utilizing incorrect legal standards that are in the teeth of controlling interpretations by this Court.

granted, (v) the present relatively low ratio of examiners with legal training, and the like.[22]

At the conclusion of the 1973 hearings on patent law revision held by the subcommittee on Patents, Trademarks and Copyrights of the Senate's Committee on the Judiciary and after hearing from representatives of the Department of Commerce, the Department of Justice, various patent law associations, various industries, a sprinkling of former commissioners of patents and other interested parties, Senator Phillip Hart summed up certain Patent Office deficiencies, as follows:

> "A fair reading of the hearing record, I believe, shows remarkable agreement as to the patent system's main vices. They interact and result in a game of blind man's bluff on a motorcycle, the objective seemingly being to find the edge of the cliff as quickly as possible. These vices include:
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> 1. The ex parte manner in which patents issue.
>
> 2. The failure to disclose material information by persons dealing with the Patent Office.
>
> 3. The lack of modern search facilities and compulsory process to enable the Patent Office to obtain or compel the furnishing of such material information.
>
> 4. A tendency by Patent Office management to emphasize production goals: quantity rather than quality.
>
> 5. A lack of interest and understanding by the Patent Office of the public impact of spurious patents.

[22] For a complete discussion of these factors, see the testimony of Milton Weissman, Editor of the Journal of the Patent Office Society and a patent examiner for some 29 years published in "Patent Law Revision" *op. cit. supra* at 445-567.

6. Submergence of Patent Office needs to the broader objectives of the Department of Commerce." [23]

III. Unsuccessful Efforts to Change 35 U.S.C. 103 Legislatively

This Court's decision in *Graham* dashed the hopes of many proponents of a denigrated standard of patentable invention that 35 U.S.C. 103 itself might be a vehicle for overruling or at least relaxing the essential constitutional standard of patentable invention first implemented by Jefferson and his cohorts on the 1790 Patent Board and first articulated by this Court in *Hotchkiss*.[24]

Since at that time, as the *Graham* opinion itself notes, 383 U.S. at 19, n. 10, a presidentially appointed Commission on the Patent System was engaged in studying possible legislative reform, the disgruntled proponents of a lowered standard for patentable invention turned to lobbying Congress for changes in 35 U.S.C. 103.

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[23] "Patent Law Revision", 93d Cong., 1st Sess. (1973) at 568.

[24] As noted *supra*, p. 9, the Fifth Circuit as late as 1955 was not following *Hotchkiss*, but rather was utilizing "its rule that when a combination produces an 'old result in a cheaper and otherwise more advantageous way' that is patentable. Jeoffroy Mfg., Inc. v. Graham, 219 F.2d 511. . ." *Graham, supra*, 383 U.S. at 4.

The Fifth Circuit's tenacity in clinging to this rejection test of patentable invention is perhaps best appreciated in context of the fact that the "better and cheaper" rationale was rejected by this Court, in *Cuno, supra*, 90 years after *Hotchkiss*. In *Cuno*, moreover, the patentee made an impassioned argument that the *Hotchkiss* rationale was wrong and should be overruled.

In *Graham*, the Court was faced with five amicus briefs from proponents of a lowered standard of patentable invention filed on behalf of the American Bar Association, the Illinois State Bar Association, the New York Patent Law Association, the Patent, Trademark and Copyright Section of the State Bar of Texas and E. Ernest Goldstein, then a professor of law at the University of Texas. Rejecting the blandishments of these amici, this Court nonetheless adhered to the position it had *always* consistently taken in the past.

The Scott and Unkovic article, *supra*, note 19, traces the history "during the past 23 years" of attempts "to legislate a comprehensive patent reform bill" (p. 937), including those which have taken place since this Court's *Graham* decision.

Of particular interest insofar as efforts to denigrate the constitutional invention standard now codified in 35 U.S.C. 103 are concerned is the proposal originally advanced by the Los Angeles Patent Law Association, that the statute be modified by adding the following provisions:

> "Patentability shall not be negatived . . . because the invention has simplicity or is the last step in an evolutionary development, nor because it is not revolutionary, basic, scientific, or technical in character. Claims for a new combination or assemblage of known mechanical or other elements shall be subjected to the same standard of patentability as is applied to claims for other types of subject matter."

See Gausewitz, R. L., *Brief in Support of Proposed Amendments to Section 103, Title 35 U.S. Code*, 51 J. Pat. Off. Soc'y. 290 (1969). The proposal was an important feature of S. 643, 92d Cong. 1st Sess. (1971), introduced by Senator McClellan and supported by the Department of Commerce but opposed by the Department of Justice. After hearings, the Senate Subcommittee reported an amended version of S. 643 to the full Committee on the Judiciary of the United States Senate. In that amended version, as noted by Scott and Unkovic *supra*, the subcommittee "rejected the changes S. 643 would have made in existing law concerning . . . the 'obviousness' standard of invention. . . ." (p. 941). The modified bill was never reported out of committee.

As Scott and Unkovic recount, however, the effort involved in arriving at this modified bill sparked Senators McClellan and Scott into requesting President Nixon in

1972 to "direct the appropriate departments and agencies of the Executive Branch to undertake renewed efforts to formulate an administration position on patent law revision" (p. 942).

The result was a comprehensive administration patent reform bill, S. 2504, 93d Cong., 2d Sess. introduced jointly by Senators McClellan and Scott in the United States Senate on October 1, 1973. This Administration bill continued the present 35 U.S.C. 103 unchanged. Subsequent efforts to revive the Los Angeles amendment were made in S. 2930, 93d Cong. 2d Sess. (1974) and S. 4259, 93d Cong. 2d Sess. (1974). All of the various bills introduced in the Ninety-Third Congress were allowed to die without being reported to the full Committee on the Judiciary of the Senate.

Further efforts toward patent reform legislation were, however, initiated promptly upon the convening of the Ninety-Fourth Congress on January 14, 1975. Senator McClellan that day introduced a bill designated S. 23, 94th Cong. 1st Sess. (1975) which, as Scott and Unkovic put it, "did not change the much-litigated and well-understood Section 103 which sets out the standard of invention necessary for the issuance of a patent" (p. 953). S. 23 was utilized by the Senate Subcommittee as the basis for a markup session that resulted in essential agreement among four of the five members of the subcommittee, to wit: Senators McClellan, Scott, Hart and Burdick. It is understood that the marked up version of the bill, including Section 103 in a form identical to the current statutory section, will shortly be reported to the full Committee on the Judiciary of the Senate, with the blessing of the present administration.

The Scott and Unkovic article particularly stresses the recognized need under the patent clause of the Constitution for Congress to adhere to a statutory system that requires a purported "invention to be not only new and

useful but also a truly inventive step beyond that which was known previously. . . ." (p. 956).

These legislative efforts are of interest to this Court in this case because the language that the Los Angeles Patent Bar Association proposed to add to 35 U.S.C. 103, *supra*, p. 25, is *per se* a recognition that current law *does not authorize* the grant of patents without regard to the degree of technical advance involved, nor does it authorize any relaxed approach toward the patentability of combinations or assemblages of old and well known elements.

To put it shortly, the Court and Congress are in full agreement as to the constitutional requisites of the standard for patentable invention. The time has come to bring the Fifth Circuit, a court that has far too long been on an aberrant course, the CCPA, another aberrant court, and the Patent Office into strict concurrence.

IV. The Important Public Policy Which Demands That Only Valid Patent Monopolies Be Enforced

The Gribble and Bennett patent can and should be disposed of as invalid because not in accord with § 103's minimum standard for patentable invention as explicated in *Graham*, *Anderson's-Black Rock* and antecedent decisions of this Court discussed in Section I hereof.

The petition also raises the propriety of the Fifth Circuit's reversal (Pet. 1a-6a) of the district court's grant of a new trial under Rule 60(b)(2) for consideration of alleged newly discovered evidence as to the existence at Mission Dairy in Carmel, California, more than one year before the filing of the Gribble and Bennett patent application, of an identical dairy barn assemblage to that covered by the patent claims. The Fifth Circuit appears to have conceded that the trial court correctly found that this evidence is material, non-cumulative and would, if

considered, probably result in a holding that patent 3,223,070 is invalid. Its reversal was on the ground that:

> ". . . the exercise of a reasonable amount of diligence would have armed Sakraida with the same information he belatedly seeks to put before the court.
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> "That spirit of finality which is implicit in all judgments, commands that courts be cautious in exercising the discretion vested in them to reopen proceedings for a new trial based on newly discovered evidence. While the sound discretion of a district judge in granting such a motion is not to be reversed except for clear abuse of discretion, Lloyd v. Gill, 406 F.2d 585 (5th Cir. 1969), that exercise is not free from review. In the case at bar, the evidence produced to show due diligence by Sakraida, taken in a light most favorable to the finding by the court below that the judgment following a completed trial should be set aside, is insufficient. The 'new' facts were easily available prior to the trial, and the defendant had reliable information that they were so available. His half-hearted effort to uncover them is legally not enough. Sakraida did not exercise due diligence in preparation of his prior art defense. The grant of a new trial accordingly must be reversed. . . ." (Pet. 5a-6a)

We do not dispute the soundness of the ruling in an ordinary suit between private interests in which the outcome would have no consequential direct effect upon other members of the public. We *do* suggest that the constitutional purpose underlying the patent system, as interpreted in apposite decisions of this Court, so thoroughly imbues the validation and enforcement of a patent monopoly with *primary public* consequences that the trial judge was required to give weight to that factor in the proper exercise of discretion under Rule 60(b), as he did—and that the Fifth Circuit accordingly lacked prerogative to disturb his ruling.

As succinctly stated in *Motion Picture Patents Co. v. Universal Film Mfg. Co.*, 243 U.S. 502, 510-11 (1917):

> "Since Pennock v. Dialogue, 2 Pet. 1, 7 L. ed. 327, was decided in 1829, *this court has consistently held that the primary purpose of our patent laws is not the creation of private fortunes for the owners of patents, but is 'to promote the progress of science and the useful arts'* (Constitution, art. 1 § 8)—an object and purpose authoritatively expressed by Mr. Justice Story, in that decision, saying:
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> > 'While one great object [of our patent laws] was, by holding out a reasonable reward to inventors and giving them an exclusive right to their inventions for a limited period, to stimulate the efforts of genius, the main object was "to promote the progress of science and useful arts."'
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> "Thirty years later this court, returning to the subject, in Kendall v. Winsor, 21 How. 322, 16 L. ed. 165, again pointedly and significantly says:
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> > 'It is undeniably true, that the limited and temporary monopoly granted to inventors was never designed for their exclusive profit or advantage; the benefit to the public or community at large was another and doubtless the primary object in granting and securing that monopoly.'
>
> "This court has never modified this statement of the relative importance of the public and private interests involved in every grant of a patent, even while declaring that, in the construction of patents and the patent laws, inventors shall be fairly, even liberally, treated. Grant v. Raymond, 6 Pet. 218, 241, 8 L. ed. 376, 384; Winans v. Denmead, 15 How. 330, 14 L. ed. 717; Walker, Patents, § 185." [25]

[25] The primacy of the *public* interest in the patent system has been reiterated frequently over the years—most recently in *Deepsouth Packing Co. v. Laitram Corp.*, 406 U.S. 518, 530-531 (1972).

In strikingly similar language, this Court in *United States* v. *Masonite Corp.*, 316 U.S. 275, 278 (1942) observed:

> "As stated by Mr. Justice Story in Pennock v. Dialogue, 2 Pet. (US) 1, 19, 7 L. ed 327, 333, the promotion of the progress of science and the useful arts is the 'main object;' reward of inventors is secondary and merely a means to that end. Or in the words of Mr. Justice Daniel in Kendal v. Winsor, 21 How (US) 322, 329, 16 L. ed. 164, 168, 'Whilst the remuneration of genius and useful ingenuity is a duty incumbent upon the public, the rights and welfare of the community must be fairly dealt with and effectually guarded. Considerations of individual emolument can never be permitted to operate to the injury of these.'"

These guiding principles led the Court in *Mercoid Corp.* v. *Mid-Continent Investment Co.*, 320 U.S. 661, 670 (1944) to refuse to apply the doctrine of *res judicata* in a manner that would preclude infringement of a misused patent. The Court said:

> "Should such a decree be entered, the Court would be placing its imprimatur on a scheme which involves a misuse of the patent privilege and a violation of the anti-trust laws. It would aid in the consummation of a conspiracy to expand a patent beyond its legitimate scope. But patentees and licensees cannot secure aid from the court to bring such an event to pass, 'unless it is in accordance with policy to grant that help.' Beasley v. Texas & P. R. Co. 191 US 492, 497, 48 L ed 274, 275, 24 S Ct 164. *And the determination of that policy is not at the mercy of the parties* (id. 191 US p. 498, 48 L ed 276, 24 S Ct 164) *nor dependent on the usual rules governing the settlement of private litigation.* 'Courts of equity may, and frequently do, go much farther both to give and withhold relief in furtherance of the public interest than they

> are accustomed to go when only private interests are involved.' Virginian R. Co. v. System Federation, R. E. D. 300 US 515, 552, 81 L ed 789, 802, 57 S Ct 592. 'Where an important public interest would be prejudiced,' the reasons for denying injunctive relief 'may be compelling.' Harrisonville v. W. S. Dickey Clay Mfg. Co., 289 US 334, 338, 77 L ed 1208, 1211, 53 S Ct 602. And see United States v. Morgan, 307 US 183, 194, 83 L ed 1211, 1218, 59 S Ct 795. That is the principle which has led this Court in the past to withhold aid from a patentee in suits for either direct or indirect infringement where the patent was being misused. Morton Salt Co. v. G. S. Suppiger Co. supra (314 US p. 492, 86 L ed 365, 62 S Ct 402). That principle is controlling here. The parties cannot foreclose the courts from the exercise of that discretion by the failure to interpose the same defense in an earlier litigation. Cf. Sola Electric Co. v. Jefferson Electric Co. 317 US 173, 87 L ed 165, 63 S Ct 172."[11]

The same principles require that the availability of Rule 60(b) relief on the issue of patent validity, which has far-reaching and direct public consequences transcending the private inteersts of the litigants, not be "at the mercy" of the parties. See *Mahn* v. *Harwood*, *supra*, note 9. *That* principle, moreover, has led this Court to abjure licensee estoppel to challenge patent validity in *Lear* v. *Adkins*, 395 U.S. 653 (1969) and to invoke collateral estoppel against relitigation of patents once held invalid in a fairly tried case in *Blonder-Tongue Laboratories, Inc.* v. *University of Ill. Foundation*, 402 U.S. 313 (1971). It is manifestly available to prevent hypertechnical or overzealous application of Rule 60(b) which would have the effect of rendering a naked monopoly lacking in statutory and constitutional justification, such as respondent's "patent" monopoly No. 3,223,070 on dairy barn assemblages, enforceable against the public.

CONCLUSION

The Fifth Circuit decisions should be reversed and patent 3,223,070 held invalid.

Respectfully submitted,

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